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plane news
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Labor Dept. sues over pension purchase

The Labor Department filed suit yesterday against the trustees of the Grumman pension plan for alleged violations of the federal pension law.

Filed in the U.S. District Court for the Eastern District of New York, the suit charges that the three trustees -- Jack Bierwirth, Bob Freese and Carl Paladino -- violated provisions of the Employee Retirement Income Security Act that prevent employee pension plan assets from being used to benefit the company sponsoring the plan.

The Labor Department is also charging that the trustees failed to act prudently and with the plan's best interests in mind.

In addition the court is being asked to enjoin the trustees from violating the law in the future and to order them to personally reimburse the pension plan for any money lost as a result of their actions. The Labor Department is also requesting that the court temporarily appoint an independent person to act on behalf of the Grumman pension plan in any decision involving Grumman shares until the suit is resolved.

On October 12 and 13, the Grumman pension plan purchased 1,160,000 Grumman shares.

The messages keep coming

If Peter Rodino needs a name of someone from Ohio, he's got 1,800 to choose from. Larry Chao, a bid and proposal analyst with Grumman's Flxible Division in Delaware, Ohio, collected the signatures on a petition. His petition asks Rodino to investigate the potential antitrust implications of an LTV takeover of Grumman.

Chao has not yet received a reply from Rodino, who is a congressman from New Jersey and the chairman of House Judiciary Committee. (2464 Rayburn House Office Building, Washington, D.C. 20515.)

Keep on writing

Today, the Senate Select Small Business Committee begins hearings on the potential impact of a takeover. Sen. Lowell Weicker is the chairman. (313 Russell Senate Office Building, Washington, D.C. 20510. Telephone 202-224-4041.)

Other members of the committee who represent Grumman "hometowns" are: Alfonse D'Amato, who requested the investigation, S.I. Hayakawa of California, Carl Levin of Michigan, Sam Nunn of Georgia and Paul Tsongas of Massachusetts.

The word is spreading. *At Pampers Cleaners in Plainview, passers-by get the message -- "Grummanites say: 'Give 'em hell, George.' "*

October 19, 1981—Grumman shares closed at 27¾ today; approximately 29,700 Grumman shares were traded.